

110TH CONGRESS
2D SESSION

S. 2953

To provide for the development and inventory of certain outer Continental Shelf resources, to suspend petroleum acquisition for the Strategic Petroleum Reserve, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 1, 2008

Mr. CRAIG (for himself, Mr. WARNER, and Mr. INHOFE) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To provide for the development and inventory of certain outer Continental Shelf resources, to suspend petroleum acquisition for the Strategic Petroleum Reserve, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Domestic Offshore En-
5 ergy Security Act of 2008” or the “DOES Act”.

1 **SEC. 2. DEVELOPMENT AND INVENTORY OF CERTAIN**
2 **OUTER CONTINENTAL SHELF RESOURCES.**

3 (a) DEFINITION OF UNITED STATES PERSON.—In
4 this section, the term “United States person” means—

5 (1) any United States citizen or alien lawfully
6 admitted for permanent residence in the United
7 States; and

8 (2) any person other than an individual, if 1 or
9 more individuals described in paragraph (1) own or
10 control at least 51 percent of the securities or other
11 equity interest in the person.

12 (b) AUTHORIZATION OF ACTIVITIES AND EXPORTS
13 INVOLVING HYDROCARBON RESOURCES BY UNITED
14 STATES PERSONS.—Notwithstanding any other provision
15 of law (including a regulation), United States persons (in-
16 cluding agents and affiliates of those United States per-
17 sons) may—

18 (1) engage in any transaction necessary for the
19 exploration for and extraction of hydrocarbon re-
20 sources from any portion of any foreign exclusive
21 economic zone that is contiguous to the exclusive
22 economic zone of the United States; and

23 (2) export without license authority all equip-
24 ment necessary for the exploration for or extraction
25 of hydrocarbon resources described in paragraph (1).

1 (c) TRAVEL IN CONNECTION WITH AUTHORIZED HY-
 2 DROCARBON EXPLORATION AND EXTRACTION ACTIVI-
 3 TIES.—Section 910 of the Trade Sanctions Reform and
 4 Export Enhancement Act of 2000 (22 U.S.C. 7209) is
 5 amended by inserting after subsection (b) the following:

6 “(c) GENERAL LICENSE AUTHORITY FOR TRAVEL-
 7 RELATED EXPENDITURES BY PERSONS ENGAGING IN
 8 HYDROCARBON EXPLORATION AND EXTRACTION ACTIVI-
 9 TIES.—

10 “(1) IN GENERAL.—The Secretary of the
 11 Treasury shall, authorize under a general license the
 12 travel-related transactions listed in section
 13 515.560(c) of title 31, Code of Federal Regulations,
 14 for travel to, from or within Cuba in connection with
 15 exploration for and the extraction of hydrocarbon re-
 16 sources in any part of a foreign maritime Exclusive
 17 Economic Zone that is contiguous to the United
 18 States’ Exclusive Economic Zone.

19 “(2) PERSONS AUTHORIZED.—Persons author-
 20 ized to travel to Cuba under this section include full-
 21 time employees, executives, agents, and consultants
 22 of oil and gas producers, distributors, and ship-
 23 pers.”.

24 (d) MORATORIUM OF OIL AND GAS LEASING IN CER-
 25 TAIN AREAS OF THE GULF OF MEXICO.—

(1) IN GENERAL.—Section 104(a) of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public Law 109–432) is amended—

(A) by striking paragraph (1);

(B) in paragraph (2), by striking “125 miles” and inserting “45 miles”;

(C) in paragraph (3), by striking “100 miles” each place it appears and inserting “45 miles”; and

(D) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(2) REGULATIONS.—

(A) IN GENERAL.—The Secretary of the Interior shall promulgate regulations that establish appropriate environmental safeguards for the exploration and production of oil and natural gas on the outer Continental Shelf.

(B) MINIMUM REQUIREMENTS.—At a minimum, the regulations shall include—

(i) provisions requiring surety bonds of sufficient value to ensure the mitigation of any foreseeable incident;

(ii) provisions assigning liability to the leaseholder in the event of an incident causing damage or loss, regardless of the

1 negligence of the leaseholder or lack of
2 negligence;

3 (iii) provisions no less stringent than
4 those contained in the Spill Prevention,
5 Control, and Countermeasure regulations
6 promulgated under the Oil Pollution Act of
7 1990 (33 U.S.C. 2701 et seq.);

8 (iv) provisions ensuring that—

9 (I) no facility for the exploration
10 or production of resources is visible to
11 the unassisted eye from any shore of
12 any coastal State; and

13 (II) the impact of offshore pro-
14 duction facilities on coastal vistas is
15 otherwise mitigated;

16 (v) provisions to ensure, to the max-
17 imum extent practicable, that exploration
18 and production activities will result in no
19 significant adverse effect on fish or wildlife
20 (including habitat), subsistence resources,
21 or the environment; and

22 (vi) provisions that will impose sea-
23 sonal limitations on activity to protect
24 breeding, spawning, and wildlife migration
25 patterns.

1 (3) CONFORMING AMENDMENT.—Section 105
 2 of the Department of the Interior, Environment, and
 3 Related Agencies Appropriations Act, 2006 (Public
 4 Law 109–54; 119 Stat. 521) (as amended by section
 5 103(d) of the Gulf of Mexico Energy Security Act of
 6 2006 (43 U.S.C. 1331 note; Public Law 109–432))
 7 is amended by inserting “and any other area that
 8 the Secretary of the Interior may offer for leasing,
 9 preleasing, or any related activity under section 104
 10 of that Act” after “2006”).

11 (e) INVENTORY OF OUTER CONTINENTAL SHELF OIL
 12 AND NATURAL GAS RESOURCES OFF SOUTHEASTERN
 13 COAST OF THE UNITED STATES.—

14 (1) IN GENERAL.—The Secretary of the Inte-
 15 rior (referred to in this subsection as the “Sec-
 16 retary”) may conduct an inventory of oil and natural
 17 gas resources beneath the waters of the outer Conti-
 18 nental Shelf (as defined in section 2 of the Outer
 19 Continental Shelf Lands Act (43 U.S.C. 1331)) off
 20 of the coast of the States of Virginia, North Caro-
 21 lina, South Carolina, or Georgia in accordance with
 22 this subsection.

23 (2) BEST AVAILABLE TECHNOLOGY.—In con-
 24 ducting the inventory, the Secretary shall use the

1 best technology available to obtain accurate resource
2 estimates.

3 (3) REQUEST BY GOVERNOR.—The Secretary
4 may conduct an inventory under this subsection off
5 the coast of a State described in paragraph (1) only
6 if the Governor of the State requests the inventory.

7 (4) REPORTS.—The Secretary shall submit to
8 Congress and the requesting Governor a report on
9 any inventory conducted under this subsection.

10 (5) AUTHORIZATION OF APPROPRIATIONS.—
11 There are authorized to be appropriated such sums
12 as are necessary to carry out this subsection.

13 (f) ENHANCED OIL RECOVERY.—Section
14 354(c)(4)(B) of the Energy Policy Act of 2005 (42 U.S.C.
15 15910(c)(4)(B)) is amended—

16 (1) in clause (iii), by striking “and” at the end;

17 (2) in clause (iv), by striking the period at the
18 end and inserting “; and”; and

19 (3) by adding at the end the following:

20 “(v) are carried out in geologically
21 challenging fields.”.

1 **SEC. 3. SUSPENSION OF PETROLEUM ACQUISITION FOR**
2 **STRATEGIC PETROLEUM RESERVE.**

3 (a) IN GENERAL.—Except as provided in subsection
4 (b) and notwithstanding any other provision of law, during
5 calendar year 2008—

6 (1) the Secretary of the Interior shall suspend
7 acquisition of petroleum for the Strategic Petroleum
8 Reserve through the royalty-in-kind program; and

9 (2) the Secretary of Energy shall suspend ac-
10 quisition of petroleum for the Strategic Petroleum
11 Reserve through any other acquisition method.

12 (b) RESUMPTION.—Not earlier than 30 days after
13 the date on which the President notifies Congress that the
14 President has determined that the weighted average price
15 of petroleum in the United States for the most recent 90-
16 day period is \$75 or less per barrel—

17 (1) the Secretary of the Interior may resume
18 acquisition of petroleum for the Strategic Petroleum
19 Reserve through the royalty-in-kind program; and

20 (2) the Secretary of Energy may resume acqui-
21 sition of petroleum for the Strategic Petroleum Re-
22 serve through any other acquisition method.

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